

**VERMONT RAIL COUNCIL
MINUTES OF MEETING
NATIONAL LIFE BUILDING
MONTPELIER, VERMONT
December 3, 2008**

MEMBERS PRESENT: Scott Rogers (Chairman)

Joann Erenhouse	Rick Moulton
Dave Wulfson	Rep. Bill Aswad
John Cook	C.J. "Mike" Coates
George Barrett	Dave Allaire
Carl Fowler	Chris Andreasson
Charlie Moore	Eric Bohn

OTHERS PRESENT: Robert Ide, VTrans Rail Operations Section
Charlie Miller, VTrans Rail Operations Section
Dick Hosking, VTrans Rail Operations Section
Bob Atchinson, VTrans Rail Operations Section
Scott Bascom, VTrans
Doug Zorzi, VTrans
J. Jeffrey Munger, Senator Sanders Office
Anthony Otis, RRAV
Paul Craven, Craven Mgmt.
Scott Howland, Amtrak
Bill Hollister, Amtrak
Bob Badger, Clough Harbour
Dale Gozalkowski, Clough Harbour
Jack Kilgallon, Clough Harbour
Jim Morton, Clough Harbour
John Wilson, Jacobs
George Hiner, Jacobs
Mike Desrochers, Jacobs
Mark Colgan, VHB
Mary Anne Michaels, VRS
Chris Jolly, FHWA
Matt Levin, VCE
Ted Brady, Senator Leahy's Office
Elizabeth Curtis, VRAN
Daryl Benoit, CCMPO
Pete Snyder, citizen

1. Call to Order & Approval of Minutes

Scott Rogers called the meeting to order at 1 p.m. Introductions were made. Scott Rogers noted he is Director of Operators following the retirement of Sam Lewis and Bob Atchinson is replacing Nancy Rice in the Rail Operations Section.

Approval of Minutes (10/1/08)

MOTION by Mike Coates, SECOND by George Barrett, to approve the 10/1/08 minutes with the following clarification:

Page 2, Item #2 – Knowledge Corridor, 1st paragraph, 3rd sentence – change “inner-city” to “intercity” and in the 2nd paragraph correct the spelling of “Northampton”.

VOTING: unanimous; motion carried.

Carl Fowler stressed Amtrak stops are needed at Greenfield and Holyoke.

2. Amtrak & DMU Updates

Amtrak

Charlie Miller reviewed ridership data for October which shows a 17.1% increase on the Vermonter and a 17.5% increase on the Ethan Allen Express over the same time period last year. There is an associated increase in revenues (19.7% on the Vermonter and 13.6% on the Ethan Allen Express). Overall on-time performance was 77% in October 2008 compared to 27% in October 2007. On-time performance for the Vermonter was 89% and 66% for the Ethan Allen Express. Scott Howland thanked New England Central Railroad for the excellent on-time performance for Amtrak in November, 2008 (98.3% - one delay of five minutes for a CSX freight train). Carl Fowler commented the Vermonter was on time at interim points as well. Charlie Miller noted Vermont is in the top three percent of all Amtrak trains for on-time performance. Kudos to the railroad.

DMU

Charlie Miller reported the state has expressed desire to move forward with the DMU project and a letter was sent to Colorado Railcar with conditions. Colorado Railcar accepted the conditions verbally. A written acceptance is anticipated. Colorado Railcar is refinancing after which a contract can be executed. Amtrak received a letter from the state regarding the project moving forward once the conditions presented to Colorado Railcar are met. The letter to Amtrak confirmed the state's desire to move forward with the grant from Amtrak.

Robert Ide expressed accolades to Charlie Miller for his perseverance with the project. The state is waiting for a response from its investors and from Colorado Railcar and then will move forward, assured Mr. Ide. Rick Moulton asked if the price is locked in. Mr. Ide confirmed this, adding the letter to Amtrak expressing interest in moving the project forward should be sufficient. Charlie Moore asked about remaining hurdles. Mr. Ide stated possible obstacles are Colorado Railcar's ability to stay in business and fuel costs. The proposal was based on \$2/gallon. A spike in the price of fuel was not considered in the state's financial plan. Approximately 20 months is estimated as the target date for “wheels on the ground”. There was mention of opportunity for a 50/50 federal/state funding split for Amtrak. Equipment could be an 80/20 split.

Joann Erenhouse mentioned Supersteel Railcar closing due to lack of business. The company was failing 10 years ago. The State of New York gave the company a project,

but there was not more work after the project was done. Colorado Railcar is the only American manufacturer of passenger rail cars. Supersteel refurbished rail cars (turbo liners). Ms. Erenhouse urged bringing attention to the matter of keeping the rail industry viable, much like what is being done for the automobile industry.

3. Project Updates

Dick Hosking reviewed the status of ongoing rail projects. Much work was done in the last year, but much work remains to be done. Thanks were extended to Vermont Railway for their efforts to get work done. Tie replacement between Salisbury and Middlebury will not be done this year. Carl Fowler asked about upgrading track between Burlington and Rutland to Class 3. Dave Wulfson stated there is 20 miles of rail to change. The work is more than half complete. The state is pursuing private/public partnership with the railroad. There was mention of state matching funds being covered by the railroad and contractors or in-kind services. VTrans does not charge for staff time on a project. Charlie Miller noted there are many types of non-federal matching that is allowed. If the match split is 80 federal/20 state and the state does not have the funds to provide the state match, then the state will only receive the federally funded amount (i.e. 80% versus 100% funding). The Congressional delegation is working hard on behalf of rail in the stimulus package so projects can move forward. Jeff Munger reported legislation is being crafted to remove the match requirement on the remaining funds in SAFETY-LU for all projects. Chris Jolly, FHWA, said regarding an in-kind match, any donated material or service must be incorporated into the project being funded. Bill Aswad urged the state to bond for match money in order to take advantage of federal funding. Dave Wulfson recalled the Rail Council spoke in support of exploring the possibility of bonding for rail projects and asked if any action has been taken on the matter. Federal tax incentive gives the railroad and its customers the incentive to invest in rail lines. Vermont Railway and New England Central Railroad committed to coming up with match money in the next two years so there is no excuse for lack of match money. Dick Hosking stated an agreement must be in place with the railroad before a project can move forward. Mr. Ide assured new information will be processed in the coming months.

MOTION by Mike Coates, SECOND by Carl Fowler, that the Rail Council supports the stimulus employment package to bond for rail and highway projects in order to take advantage of federal funds.

DISCUSSION: There was discussion as a friendly amendment of removing the word “highway” from the motion and focusing on rail. The amendment was not supported. It was reiterated that only the amount of federal funds will be provided to the state. Federal funds do not provide for matching funds.

CALL THE QUESTION by George Barrett. Discussion ceased.

VOTING: all ayes except three nays (Barrett, Wulfson, Moore) and one abstention (Aswad); motion carried.

Carl Fowler spoke of the lack of mention of rail specifically by the Obama Administration, and the need to be ready out front before projects are announced. Jeff Munger assured the Obama Administration has mentioned rail. There will not be a list of

projects for the funding. Federal money will flow to the states through a formula. Money for highway and mass transit is through a formula. Robert Ide stated the Rail Division is developing a list of target projects.

Burlington Tunnel

Paul Craven reported the Burlington Tunnel work is complete and the tunnel is in operation. The project was slightly over the projected cost of \$1.2 million. NECR covered the overage (\$240,000 paid by NECR and \$960,000 covered by federal funds). The repairs are estimated to last 20 years. Safety issues were encountered so the design/build had to be changed. Mr. Craven briefly explained the repairs and encounter with water in the tunnel. The tunnel has the same clearance as before the work. Amtrak trains can pass through the tunnel.

Alburgh Trestle

Paul Craven reported the cost of the trestle project was reduced from \$1.2 million to \$850,000. Fender piles will be included (\$300,000 item). Construction is slated to begin 12/8/08 and be complete by June, 2009. The railroad is providing matching funds. When complete the rail will be 286,000 pound capacity. Phase 2 of the project involves discussing a design/build with the FRA. The speed of a train on the bridge will not increase, but the train will not have to stop which will save time.

4. Bridge Inspection & Ratings

Doug Zorzi, VTrans, provided information on bridge work in the state. New bridges will have 315,000 pound capacity. Upgrades/rehabilitation of bridges will be at least 286,000 or up to 315,000 pound capacity. Exceptions include capacity for OMYA (315,000 pounds) and bridges on the Connecticut River line which will be 286,000 pound capacity because there are many timber superstructures. State funding only covers bridges on the Connecticut River line. Federal funds are used on the western corridor. The cost to build a bridge is estimated at \$500,000. There was mention of the numbering of bridges. The state does not have a good database for bridges. The state owns 210 bridges. On the Green Mountain line there are 44 bridges with 13 load rated (46% deficit or below 286,000 capacity). On the Vermont Railway line there are 87 bridges and 13 load rated (62% deficit). On the Washington County line there are nine bridges and one load rated (100% deficit). On the Connecticut River line there are 70 bridges and 33 load rated (64%). A low number of bridges have been load rated to date so the numbers are skewed. Dave Wulfson stressed the deficiency is based on 286,000 capacity, not 263,000 which is the current load rating.

Chris Andreasson requested the deficiency status of bridges north of Rutland be forwarded to the Infrastructure Subcommittee.

Dave Wulfson asked if the bridges associated with the bearing project on the Green Mountain line would be removed from the list if the bearing project were complete. Doug Zorzi confirmed this, noting the project could move forward if there was funding. Mr. Wulfson stated the project has been through redesign three times. The railroad has done temporary repairs only because it was thought the state was going to do the project. The

work cannot continue to be pushed aside and expect trains to run between Rutland and Bellows Falls. Mr. Zorzi reviewed the chronology of the design work and funding (from 2002 to the present). Charlie Miller added load rating is a separate issue from the physical condition of the bridge. Load rating is a design issue (weight bearing limit). The physical condition of the bridge relates to deterioration that needs repair. The state must find a balance with use of funds. Funds were taken from bridge maintenance and used to repair a bridge so the rail line could operate. Charlie Moore asked if the route and/or the condition of bridges are prioritized. Robert Ide stated there is a disconnect between the capacity to do and the desire to have. A balance must be found and priorities established and accepted. The state must stay within the spending stream, but can be creative with partners who come to the table. Charlie Moore stressed the state is responsible for major expenditures on the state rail system (i.e. bridges) and should stay with the original priorities. If that means only two bridges can be done, then so be it. It was noted there will be a contract for 38 bridge inspections north and south of Rutland. There are three years of bridge inspections. Inspection and load rating are different.

Paul Craven asked the cost of the bridge bearing work. Doug Zorzi estimated \$1 million. Mr. Craven urged pursuing projects that can readily be done now especially with the railroads being willing to provide matching funds to federal dollars. Mike Coates stated the public needs to be made aware of the problems with bridges on the rail system because any failure will critically impact transportation of fuel, road salt, and other products. George Barrett suggested it may be time for VTrans to get out of the rail business and allow private companies to own/operate the system. Charlie Moore stated the lines would be up for abandonment because some railroad companies would not invest the necessary money in the lines. Dave Wulfson noted his company tried to buy the rail line from the state in 1992, but the state would not sell. Rail bridges are the state's responsibility. The railroad company would have to mortgage the company to fix the bridges if the railroad owned them. Robert Ide pointed out rail customers are not complaining. Service is better than in the past. The question of who should own the railroad and be responsible for the system deserves thorough, long term consideration. Rick Moulton stated as a passenger rail user delays are an issue. Dave Wulfson interjected if the railroad were privately owned passenger rail users would be less happy. Carl Fowler observed on a positive note the objective is to help the state and railroad companies in the state to produce a better network for both freight and passenger service. Progress is being made and everyone can take pride in that.

5. Rail Project Programming

Bob Badger and Jack Kilgallon with Clough Harbour Associates reviewed the GIS database tool for asset management. The tool will help compile a rail inventory of track (corridors), switches, grade crossings, and bridges. The information will show where problems are and where money should be spent. For example, track geometry data entered into the system allow a project to be reviewed specifically or on a larger scale to the entire system. Clough Harbour will provide oversight and technical support for the system. VTrans will maintain the database. The information is public. It is recommended the railroads have access to the information. Initially state owned property will be entered, but this could be expanded to include privately owned assets as well. The cost of

the system is \$100,000, but the value is far greater and will allow staff to do a better job. There will be links to highway projects that involve railroad crossings. Scott Bascom noted VTrans has been working toward asset management since 1999. The first step is to develop an inventory showing the condition of assets. Deterioration rates and needed improvements/replacements can then be identified.

Elizabeth Curtis spoke in support of the tool, noting the features provide information that allow the public to see the assets owned by the state.

Paul Craven expressed concern about the information being current. It was suggested information could be date stamped when loaded into the database. Carl Fowler stressed the system must be kept up to date to avoid bad decisions. Adequate resources must be available to maintain/update the system. Matt Levin echoed the need to maintain the data. It was noted Bob Atchinson in the Rail Division will manage the system.

6. Passenger Rail Subcommittee

Charlie Moore reported the subcommittee discussed the e-ticket process for procurement of Amtrak tickets after hearing from a travel agent who expressed concern about securing tickets on Amtrak. Bill Hollister, Amtrak, noted on board e-tickets using handheld devices to scan barcodes are being tested on the Downeaster service. Tickets can also be purchased at quick track machines or at ticket offices. Amtrak has a travel agency service center in Philadelphia. Carl Fowler stated the situation that the travel agency did not have the ability to write a manual ticket is unique. Charlie Miller noted the state will not pursue ticket machines if e-ticketing goes into effect.

Charlie Moore reported the subcommittee also discussed the following:

- Castleton train station - Property Management is still working on the parking issue.
- DMUs
- Markets – Carl Fowler mentioned the effort to reinstate the Amtrak/bus service from St. Albans to Montreal.

The next meeting of the subcommittee is January 20, 2009.

7. Rail Infrastructure Subcommittee

Mike Coates reported the subcommittee discussed the following at the meeting on November 18, 2008:

- Having a spreadsheet of major rail projects available to the subcommittee.
- Having the list of projects and upcoming budget numbers.
- Having a list of projects ready to go if the stimulus package is received.
- Middlebury Rail Spur EIS is complete and the public hearing process is ongoing. Record of Decision is expected mid-January. Negotiations with GRIP are ongoing.
- There was no report on the NECR initiatives re: Essex to Burlington, Essex to St. Albans, Northfield, MA to Brattleboro due to the absence of Charles Hunter.
- Rail Council/VTrans/Legislature interactions.

The next meeting of the Rail Infrastructure Subcommittee is January 20, 2009 at Burlington Airport, 10 a.m.

8. Freight Volumes Reporting

Robert Ide requested nonproprietary information on freight volumes from the railroad companies. Information on freight originating in Vermont, ending in Vermont, and passing through Vermont is needed. The information could be included in the GIS database. The legislature mandates that VTrans set goals for programs. Goals include increasing passenger rail and rail freight in the state. Baseline data is needed in order to determine if goals are being met.

Dave Wulfson stated Vermont Railways is willing to provide broad based information only, not the number of cars from specific areas, for example.

There was mention of transporting trash via rail to take trucks off the highways.

9. Other Business

Rail Audit Report

Report not available.

10. Next Meeting/Agenda Items

Next Meeting: February 4, 2009, National Life Building, Montpelier, 1 p.m. – 4 p.m.

Agenda Items:

- Report from Brad Worthen on the status of bus service from Burlington Airport to Montreal
- Further discussion of Amtrak/bus service from St. Albans to Montreal
- Update on the Knowledge Corridor
- Timeline for DMU operation

11. Adjournment

The meeting was adjourned at 3:45 p.m.

RScty: M.E.Riordan